

FREQUENTLY ASKED QUESTIONS

The following FAQs are offered as general information about our tax sale and tax sale redemptions and should not be construed as legal advice and/or legal opinion of the statutes governing tax sales or redemptions. Anyone wishing to participate in our tax sale is encouraged to familiarize themselves with the laws concerning tax sales and the rights the sale conveys unto the purchaser. Please consult legal counsel to fully understand the tax sale process and to protect your interest as a tax sale buyer. The Lafayette Parish Tax Collector and/or the City of Lafayette assume no liability for an uninformed tax purchaser.

Under What Authority Is The Tax Sale Conducted?

Louisiana Revised Statute 47:2154: The tax collector shall seize, advertise, and sell tax sale title to the property or an undivided interest therein upon which delinquent taxes are due, on or before May first of the year following the year in which the taxes were assessed, or as soon thereafter as possible. The price shall be the amount of statutory impositions due on the property, costs, and interest.

What Is A Tax Sale?

This is a sale of properties having delinquent taxes due and owing to the political subdivision. The Sheriff and Ex-Officio Tax Collector for the Parish of Lafayette and/or the City of Lafayette have the authority to sell all delinquent tax properties. Each property is sold to the public for the amount of delinquent taxes, applicable liens (grass cutting, demolition, etc.) plus other incurred costs (interest, certified mailing, advertisements, recording fees, etc)

When Are Real Estate Taxes And/Or Ad Valorem Assessments Due?

Taxes are due by December 31st of the taxable year and become delinquent on January 1st of the following year.

How Do I Purchase Tax Sale Properties?

In order to participate in The Lafayette Parish Tax Collector's & The City of Lafayette's tax sale **you must register with our office in advance of the sale.** There is no cost for registration but you must have a letter of credit from your bank or make a certified funds deposit, and/or provide ACH debit information in the amount you wish to spend at the

sale. Since our tax sale is considered an investment opportunity for the purchaser we also require a Social Security Number or a Federal Tax Identification Number.

How Do I Register For The Tax Sale?

All bidders must complete a Property Tax Sale Bidder Registration application and be at least eighteen (18) years of age. You may register online at <https://www.zeusauction.com> Registrations & financial arrangements must be completed prior to the tax sale date.

How do I bid on a property?

You must first register for the tax sale and login before you can place bids on property. Bidding is only allowed during hours set for the tax sale. Once you are logged in, you will see a place to enter your bid amount.

Who Conducts The Tax Sale?

This tax sale is being jointly conducted by both the City of Lafayette and the Lafayette Parish Tax Collector. Where both city and parish property taxes are owed they must be purchased together.

How Does The Tax Sale Work?

The properties are offered at the amount of taxes, liens, and costs associated with the property. Louisiana law requires a “bid down” process in which we sell the least amount of the property that someone will buy for the full amount due. Bidding is opened at 100% of the property. If more than one person is interested in the property, the next bidder may offer to pay the amount due for a lesser percentage of the property. Bidding may continue down to 1%, the lowest acceptable bid. If there are multiple bidders on a property, the first person to bid 1% will be awarded the property.

What Am I Buying?

When you purchase property at a tax sale you are buying a “Tax Certificate”. The tax certificate conveys certain rights unto the purchaser. Currently the property is placed in the purchaser’s name. The purchaser is immediately entitled to a 5% buyer’s fee plus 1% per month on what was paid until redemption. Also, the tax purchaser may try to acquire the property after three years have elapsed from the recordation of the tax deed. Acquisition of the property is up to the courts and would depend heavily on the percentage of the property purchased, adherence to notification laws, due diligence, and other factors as determined by the courts. It is the purchaser’s responsibility to familiarize themselves with these laws prior to purchasing at a tax sale.

How Much Interest Does A Tax Lien Pay?

When you purchase Property Tax Certificates, you are guaranteed a fixed return on your investment. This includes a 5% purchaser’s premium and 1% per month interest until the property is redeemed. If you pay subsequent year taxes you will earn 1% per month on that money also.

Are Delinquent Taxes Publicized?

The Tax Collector must advertise the delinquent taxes in the “official journal of the political subdivisions” (The Lafayette Daily Advertiser). This advertisement must be published twice prior to the tax sale. In addition the advertisement may also be made available on line.

What Information Does The Advertisement Contain?

The place, date and time of the tax sale, a listing of each parcel showing the delinquent tax amount, the property owner's name, and the property assessment number. The parcels are listed alphabetically for easier reference in the advertisement and during the sale. The delinquent tax amount shown is the base amount of the taxes due. It does not include accrued interest or costs.

Who May Participate In The Tax Certificate Sale?

Anyone. To participate in the sale a bidder must register with the Tax Collector's office via our web site. A bidder number is assigned for identification purposes during the sale. Bidders are required to make a deposit via ACH Debit, certified funds, or a letter of credit from your bank.

Do I Become The Owner Of The Property Immediately Or Is There A Waiting Period?

NOT IMMEDIATELY! When property is purchased at a tax sale the original owner has a three year period in which he may redeem his property by paying the original sale amount, including applicable fees, the 5% buyer's premium, and 1% per month interest. The redemptions are handled by the Lafayette Parish Tax Collector's Office and the receipts are forwarded monthly to the tax purchaser.

Where Are The Properties Located?

All bidders are responsible for their own research. It is recommended that you thoroughly research any delinquent tax sale property before you bid on the property. The mapping provided on our website is provided as a courtesy and should not be construed as absolute.

What Is A Tax Sale Budget Amount?

It is the amount of funds you have budgeted or have available for use in the tax sale. The tax sale system will maintain the running balance available to you as you select properties. It does not commit or require you to purchase any properties.

Can I Exceed The Tax Sale Budget Amount?

Yes, because placing a bid does not guarantee you will win the property.

Can Properties Offered Be Removed From The Tax Sale?

Yes. The Sheriff may remove properties from the tax sale process for reasons including, but not limited to, the payment of taxes due by the owner, or it is determined that any parcel was erroneously listed. Email notification will be sent to interested bidders that the property has been removed.

Why Are Some Properties That Were Listed For Tax Sale No Longer Available?

Delinquent properties are available for viewing no later than the week preceding the tax sale date. Properties will be removed from the delinquent view listing upon payment of taxes due by owners.

Can I Purchase Multiple Properties?

Yes, you may purchase as many properties as your preset budget allows.

When Will I Be Notified That I Am The Winning Bidder?

Upon the conclusion of the tax sale, winning bidders will be notified by email.

When Are Payments Due?

Full payment must be received within 24 hours of the conclusion of the tax sale.

Is There A Refund Policy?

Refunds are allowed in those instances where it is determined that a tax sale purchaser was ineligible to bid at the tax sale or any parcel was erroneously sold. The tax sale certificate will be cancelled and the certificate holder will be reimbursed the principal amount originally paid.

Do I Need To Purchase Special Software Or Equipment To Participate In The Tax Sale?

No. You will need a computer with a web browser and internet access. If you do not have a computer, kiosks will be made available at the Lafayette Parish Tax Collector's Office, 1010 Lafayette Street, Lafayette, LA, 4th Floor.

Is Assistance Available During The Tax Sale?

Yes. You may contact our office at (337) 236-5880 for issues related to the tax sale process as well as general tax information.

Do I Have To Pay Future Taxes Assessed On The Property During The Redemptive Period?

Yes. A tax sale purchaser is responsible for all future taxes assessed on the property until the property is redeemed. Interest accrues on all future tax payments @ the 1% per month rate. Failure to pay post-tax sale taxes may result in the property being sold at a future tax sale.

What Happens To The Properties That Do Not Sell At The Delinquent Tax Sale?

The properties that do not sell at the delinquent tax sale are adjudicated to the Parish and/or City of Lafayette. They are not offered for resale at this time.

What Happens To My Security Deposit If I Don't Win Any Certificates In The Auction?

Refunds for unused portions of the deposit will be issued in a timely manner.

What is an ACH Debit?

An ACH debit is an electronic funds transfer from your bank account, initiated by the Tax Collector with your prior authorization. For more information on ACH, please visit the NACHA, the Electronic Payments Association at www.nacha.org. Funds must be drawn from a US financial institution. Some types of money market, brokerage, and/or trust accounts cannot accept ACH debits. Please check with your financial institution prior to initiating payment on the web site.

What Is Property Redemption?

When property is purchased at a tax sale the original owner has a three year period in which he may redeem his property by paying the original sale amount, including applicable fees, the 5% buyer's premium, and 1% per month interest. The redemptions are handled by the Lafayette Parish Tax Collector's Office and/or the City of Lafayette and the receipts are forwarded monthly to the tax purchaser.

What are the Risks Associated with A Tax Lien Certificate Sale?

The purchase of a Tax Lien Certificate is a risky investment. Investors are strongly advised to investigate the property they intend to purchase and know exactly what they are buying before bidding at the Tax Lien Certificate Sale. The Collector gives no guarantees and makes no representations regarding property title or the nature of the interest in the property that is listed. The Collector gives no guarantees and makes no

representations regarding prompt redemption or return of the lien amount, etc. Risks include, but are not limited to:

- a. Investment Capital is frozen: The money invested in the Tax Lien Certificate is unavailable for use. From the date of the Tax Lien Certificate Sale until the property is redeemed or until foreclosure is finalized, there is no access to the money invested. Emergency funds should never be used as investment capital, as the funds will be “frozen” for a time
- b. The property owner may file bankruptcy. In the event the property owner files for protection under the bankruptcy law, the certificate holder is prevented from enforcing the lien until the bankruptcy is released. The bankruptcy court can lower the interest rate and order payments to be made over a period of time.

Is There A Refund Policy?

Refunds are issued in those instances where it is determined that a tax sale purchaser was ineligible to bid at the tax sale or if any parcel was erroneously sold the tax sale certificate will be cancelled and the certificate holder will be reimbursed the amount originally paid. No interest will be due or paid in these instances

Can A Tax Lien Certificate Be Voided?

Yes, occasionally it may be necessary for the Collector to void a Tax Sale Certificate after award. In that event, neither the owner nor the Tax Collector will pay interest, legal fees, costs, or any other charges to the Tax Lien Certificate Holder.

Why Would A Certificate Be Cancelled?

Some of the reasons a tax sale may be cancelled are to correct errors, omissions, or double assessments or when ordered by a court.

Are There Any Hidden Costs?

The dollar amount shown on the delinquent listing and on line advertisement prior to the tax sale is the balance due to date, it does not include any additional costs or interest that may get added by the time the tax sale begins. During the tax sale the amounts you see will include all costs and interest due.

Do I Have To Notify The Tax Debtor That I Purchased Their Property?

Refer to La. R.S. 47:2156--- Within the applicable redemptive period the tax sale purchaser may send a written notice to any or all tax sale parties notifying the parties of the sale. Due Diligence is highly recommended.

Should I Consult Legal Advice?

It is recommended that you consult with an attorney as to your rights and obligations as a tax sale purchaser.